QUICK REFERENCE

UNDERSTANDING USAID AWARDS

Refer to these key points for a better understanding of how USAID issues contracts, grants, and cooperative agreements.

1 KNOW THE DIFFERENCES

Funds are competitively awarded to organizations either through acquisition (that is contracts) or assistance awards (that is grants and cooperative agreements).

- With contracts, USAID purchases goods and services from a contractor to implement an activity as directed by the Agency. Contracts are announced through Requests for Proposals (RFPs).

- With grants and cooperative agreements, the Agency provides funds to a recipient for a public good and has limited direct involvement. Assistance awards are announced through Notices of Funding Opportunities (NOFOs) or Requests for Applications (RFAs).

2 FIND A GOOD FIT

The type of award that best fits your organization depends on the goals and complexity of the work to be performed, involvement of other organizations, and how costs and performance milestones are structured. Profit, also called a fee, is allowed under contracts but not with grants.

3 REGISTER YOUR ORGANIZATION

Both U.S.-based and non-U.S.-based organizations must complete required registrations to be eligible to become USAID recipients and contractors. All registrations are free. Registering with the U.S. Government includes:

- A NATO Commercial and Government Entity (NCAGE) code, required of all non-U.S.-based businesses looking to work with the U.S. Government;

- A unique nine-digit Data Universal Numbering System (DUNS) number required of both U.S.- and non-U.S.-based organizations before they do business with the U.S. Government;

- Registration with the System for Award Management (SAM), the official portal for potential partners to register to do business with the U.S. Government--all organizations need a DUNS number first, and non-U.S.-based organizations also must first have an NCAGE code; and

- A CAGE code for U.S.-based organizations, which is generated automatically when registering with SAM.

4 PREPARE TO WORK WITH OTHERS

Sub-contracting or teaming agreements govern how you work with different partners, including small businesses and local organizations. A prime recipient or lead organization is responsible for the performance of sub-awardees and is accountable to the Agency.

5 UNDERSTAND THE AWARD PROCESS AND REQUIREMENTS

The key phases of the Agency's award process, for any category of award, include Planning, Solicitation, Award, and then Administration and Monitoring. Every solicitation includes critical details about an award, so read it carefully!

6 STAY INFORMED

USAID may use a variety of ways to communicate with potential offerors throughout the acquisition award process. When provided, debriefings are important ways to receive feedback on proposals. Under assistance rules, USAID does not provide debriefings for grants and cooperative agreements.

7 BE AWARE OF SMALL BUSINESS SET-ASIDES

USAID works with the U.S. Small Business Administration (SBA) to set goals for small business participation in prime contracts and sub-contracts. Small business set-asides do not include non-U.S. small businesses. Confirm small business status at beta.SAM.gov.

8 LEARN AND IMPROVE

If you are unsuccessful with a funding opportunity, do not give up. Take steps to build your expertise, improve your organizational systems, and reassess your alignment with USAID priorities and types of awards.

RESOURCES:

- USAID "Acronym Soup" video and Quick Reference Guide
- Federal Assistance Regulations and Agency for International Development Acquisition Regulations
- Code of Federal Regulations for Assistance Awards
- USAID Small Business Program
- USAID Automated Directives System Chapter 302
- USAID Automated Directives System Chapter 303

For questions related to this resource, contact USAID's Industry Liaison at: IndustryLiaison@usaid.gov.